

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 3799

By: Adams

AS INTRODUCED

An Act relating to motor vehicles; amending 47 O.S. 2021, Section 1110, as last amended by Section 1, Chapter 403, O.S.L. 2025 (47 O.S. Supp. 2025, Section 1110), which relates to perfection of security interest; modifying provision to add to vehicle title the spouse of person with active loan; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 47 O.S. 2021, Section 1110, as last amended by Section 1, Chapter 403, O.S.L. 2025 (47 O.S. Supp. 2025, Section 1110), is amended to read as follows:

Section 1110. A. 1. Except for a security interest in vehicles held by a dealer for sale or lease, a vehicle registered by a federally recognized Indian tribe as provided in subsection G of this section, and a vehicle being registered in this state which was previously registered in another state and which title contains the name of a secured party on the face of the other state certificate or title, and except as otherwise provided in subsection B of Section 1105 of this title, a security interest in a vehicle as to

1 which a certificate of title may be properly issued by Service
2 Oklahoma shall be perfected only when a lien entry form, and the
3 existing certificate of title, if any, or application for a
4 certificate of title and manufacturer's certificate of origin
5 containing the name and address of the secured party and the date of
6 the security agreement and the required fee are delivered to Service
7 Oklahoma or to a licensed operator. As used in this section, the
8 term "dealer" shall be defined as provided in Section 1-112 of this
9 title and the term "security interest" shall be defined as provided
10 in paragraph (35) of Section 1-201 of Title 12A of the Oklahoma
11 Statutes. When a vehicle title is presented to a licensed operator
12 for transferring or registering and the documents reflect a
13 lienholder, the licensed operator shall perfect the lien pursuant to
14 subsection G of Section 1105 of this title. For the purposes of
15 this section, the term "vehicle" shall not include special mobilized
16 machinery, machinery used in highway construction or road material
17 construction and rubber-tired road construction vehicles including
18 rubber-tired cranes. The filing and duration of perfection of a
19 security interest, pursuant to the provisions of Title 12A of the
20 Oklahoma Statutes, including, but not limited to, Section 1-9-311 of
21 Title 12A of the Oklahoma Statutes, shall not be applicable to
22 perfection of security interests in vehicles as to which a
23 certificate of title may be properly issued by Service Oklahoma,
24 except as to vehicles held by a dealer for sale or lease and except

1 as provided in subsection D of this section. In all other respects
2 Title 12A of the Oklahoma Statutes shall be applicable to such
3 security interests in vehicles as to which a certificate of title
4 may be properly issued by Service Oklahoma.

5 2. Whenever a person creates a security interest in a vehicle,
6 the person shall surrender to the secured party the certificate of
7 title or the signed application for a new certificate of title, on
8 the form prescribed by Service Oklahoma, and the manufacturer's
9 certificate of origin. The secured party shall deliver the lien
10 entry form and the required lien filing fee within forty-five (45)
11 days as provided hereafter with certificate of title or the
12 application for certificate of title and the manufacturer's
13 certificate of origin to Service Oklahoma or to a licensed operator.
14 If the lien entry form, the lien filing fee and the certificate of
15 title or application for certificate of title and the manufacturer's
16 certificate of origin are delivered to Service Oklahoma or to a
17 licensed operator within forty-five (45) days after the date of the
18 lien entry form, perfection of the security interest shall begin
19 from the date of the execution of the lien entry form, but
20 otherwise, perfection of the security interest shall begin from the
21 date of the delivery to Service Oklahoma or to a licensed operator.

22 3. a. For each security interest recorded on a certificate
23 of title or manufacturer's certificate of origin, such
24 person shall pay a fee of Ten Dollars (\$10.00), which

1 shall be in addition to other fees provided for in the
2 Oklahoma Vehicle License and Registration Act. Upon
3 the receipt of the lien entry form and the required
4 fees with either the certificate of title or an
5 application for certificate of title and
6 manufacturer's certificate of origin, a licensed
7 operator shall, by placement of a clearly
8 distinguishing mark, record the date and number shown
9 in a conspicuous place on each of these instruments.
10 Of the ten-dollar fee, the licensed operator shall
11 retain Two Dollars (\$2.00) for recording the security
12 interest lien.

- 13 b. It shall be unlawful for any person to solicit,
14 accept, or receive any gratuity or compensation for
15 acting as a messenger and for acting as the agent or
16 representative of another person in applying for the
17 recording of a security interest or for the
18 registration of a motor vehicle and obtaining the
19 license plates or for the issuance of a certificate of
20 title therefor unless Service Oklahoma has appointed
21 and approved the person to perform such acts; and
22 before acting as a messenger, any such person shall
23 furnish to Service Oklahoma a surety bond in such
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1 amount as Service Oklahoma shall determine
2 appropriate.

3 4. The certificate of title or the application for certificate
4 of title and manufacturer's certificate of origin with the record of
5 the date of receipt clearly marked thereon shall be returned to the
6 debtor together with a notice that the debtor is required to
7 register and pay all additional fees and taxes due within thirty
8 (30) days from the date of purchase of the vehicle.

9 5. Any person creating a security interest in a vehicle that
10 has been previously registered in the debtor's name and on which all
11 taxes due the state have been paid shall surrender the certificate
12 of ownership to the secured party. The secured party shall have the
13 duty to record the security interest as provided in this section and
14 shall, at the same time, obtain a new certificate of title which
15 shall show the secured interest on the face of the certificate of
16 title.

17 6. The lien entry form with the date and assigned number
18 thereof clearly marked thereon shall be returned to the secured
19 party. If the lien entry form is received and authenticated, as
20 herein provided, by a licensed operator, the licensed operator shall
21 make a report thereof to Service Oklahoma upon the forms and in the
22 manner as may be prescribed by Service Oklahoma.
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1 7. Service Oklahoma shall have the duty to record the lien upon
2 the face of the certificate of title issued at the time of
3 registering and paying all fees and taxes due on the vehicle.

4 8. When there is an active lien from a commercial lender in
5 place on a vehicle, licensed operators shall be prohibited from
6 transferring the certificate of title on that vehicle until the lien
7 is satisfied, except when the title is transferred:

- 8 a. to a person whose name is included on the loan for
9 which the lien is placed pursuant to an agreement by
10 the lender and any party to the title, and to the
11 spouse of a person whose name is included on the loan,
12 provided that the lienholder is notified of the
13 transfer and the transfer does not affect the
14 validity, priority, or enforceability of the lien,
15 b. to a trust created by a person whose name is included
16 on the loan for which the lien is placed, or
17 c. from a person who has died, upon the submission of a
18 death certificate.

19 The provisions of this paragraph shall not be construed to release
20 any lien or debt based solely upon a transfer of certificate of
21 title.

22 B. 1. A secured party shall, within seven (7) business days
23 after the satisfaction of the security interest, furnish directly or
24 by mail a release of a security interest to Service Oklahoma and

1 mail a copy thereof to the last-known address of the debtor. If the
2 security interest has been satisfied by payment from a licensed used
3 motor vehicle dealer to whom the motor vehicle has been transferred,
4 the secured party shall also, within seven (7) business days after
5 receipt of a written request from such licensed used motor vehicle
6 dealer, mail an additional copy of the release to the dealer. If
7 the secured party fails to furnish the release as required, the
8 secured party shall be liable to the debtor for a penalty of One
9 Hundred Dollars (\$100.00). Following the seven (7) business days
10 after satisfaction of the lien and upon receipt by the lienholder of
11 written communication demanding the release of the lien, thereafter
12 the penalty shall increase to One Hundred Dollars (\$100.00) per day
13 for each additional day beyond seven (7) business days until
14 accumulating to One Thousand Five Hundred Dollars (\$1,500.00) or the
15 value of the vehicle, whichever is less, and, in addition, any loss
16 caused to the debtor by such failure.

17 2. Upon release of a security interest the owner may obtain a
18 new certificate of title omitting reference to the security
19 interest, by submitting to Service Oklahoma or to a licensed
20 operator:

- 21 a. a release signed by the secured party, an application
22 for new certificate of title, and the proper fees, or
- 23 b. by submitting to Service Oklahoma or the licensed
24 operator an affidavit, supported by such documentation

1 as Service Oklahoma may require, by the owner on a
2 form prescribed by Service Oklahoma stating that the
3 security interest has been satisfied and stating the
4 reasons why a release cannot be obtained, an
5 application for a new certificate of title and the
6 proper fees.

7 Upon receiving such affidavit that the security interest has been
8 satisfied, Service Oklahoma shall issue a new certificate of title
9 eliminating the satisfied security interest and the name and address
10 of the secured parties who have been paid and satisfied. Service
11 Oklahoma shall accept a release of a security interest in any form
12 that identifies the debtor, the secured party, and the vehicle, and
13 contains the signature of the secured party. Service Oklahoma shall
14 not require any particular form for the release of a security
15 interest.

16 The words "security interest" when used in the Oklahoma Vehicle
17 License and Registration Act do not include liens dependent upon
18 possession.

19 C. Service Oklahoma shall file and index certificates of title
20 so that at all times it will be possible to trace a certificate of
21 title to the vehicle designated therein, identify the lien entry
22 form, and the names and addresses of secured parties, or their
23 assignees, so that all or any part of such information may be made
24 readily available to those who make legitimate inquiry of Service

1 Oklahoma as to the existence or nonexistence of security interest in
2 the vehicle.

3 D. 1. Any security interest in a vehicle properly perfected
4 prior to July 1, 1979, may be continued as to its effectiveness or
5 duration as provided by Sections 1-9-510 and 1-9-515 of Title 12A of
6 the Oklahoma Statutes, or may be terminated, assigned, or released
7 as provided by Sections 1-9-512, 1-9-513, and 1-9-514 of Title 12A
8 of the Oklahoma Statutes, as fully as if this section had not been
9 enacted, or, at the option of the secured party, may also be
10 perfected under this section, and, if so perfected, the time of
11 perfection under this section shall be the date the security
12 interest was originally perfected under the prior law.

13 2. Upon request of the secured party, the debtor or any other
14 holder of the certificate of title shall surrender the certificate
15 of title to the secured party and shall do such other acts as may be
16 required to perfect the security interest under this section.

17 E. If a manufactured home is permanently affixed to real
18 estate, an Oklahoma certificate of title may be surrendered to
19 Service Oklahoma or a licensed operator for cancellation. When the
20 document of title is surrendered, the owner shall provide the legal
21 description or the appropriate tract or parcel number of the real
22 estate and other information as may be required on a form provided
23 by Service Oklahoma. Service Oklahoma may not cancel a document of
24 title if a lien has been registered or recorded. Service Oklahoma

1 or the licensed operator shall notify the owner and any lienholder
2 that the title has been surrendered to Service Oklahoma and that
3 Service Oklahoma may not cancel the title until the lien is
4 released. Such notification shall include a description of the lien
5 and such notification to the owner shall be accompanied by the
6 return of title surrendered. Permanent attachment to real estate
7 does not affect the validity of a lien recorded or registered with
8 Service Oklahoma before the document of title is canceled pursuant
9 to this section. The rights of a prior lienholder pursuant to a
10 security agreement or the provisions of a credit transaction and the
11 rights of the state pursuant to a tax lien are preserved. Service
12 Oklahoma or the licensed operator shall forward the information to
13 the county assessor of the county where the real estate is located
14 and indicate whether the original document of title has been
15 canceled. A fee of Five Dollars (\$5.00) shall accompany the
16 application for cancellation of title. When the fee is paid by a
17 person making an application directly with Service Oklahoma, the fee
18 shall be deposited in the Oklahoma Tax Commission Fund. Beginning
19 January 1, 2023, the fee shall be deposited in the Service Oklahoma
20 Revolving Fund. A fee paid to a licensed operator shall be retained
21 by the licensed operator. The owner of a manufactured home upon
22 which the document of title has been properly surrendered may apply
23 to Service Oklahoma for issuance of a new original certificate of
24 title upon submission of:

1 1. An attestation from the homeowner indicating ownership of
2 the manufactured home and the nonexistence of any security interest
3 or lien of record in the manufactured home; and

4 2. A title opinion by a licensed attorney, determining that the
5 owner of the manufactured home has marketable title to the real
6 property upon which the manufactured home is located and that no
7 documents filed of record in the county clerk's office concerning
8 the real property contain a mortgage, recorded financial statement,
9 judgment, or lien of record. Persons or entities to whom the title
10 opinion is addressed may rely on the title opinion. A security
11 interest in a manufactured home perfected pursuant to this section
12 shall have priority over a conflicting interest of a mortgagee or
13 other lien encumbrancer, or the owner of the real property upon
14 which the manufactured home became affixed or otherwise permanently
15 attached. The holder of the security interest in the manufactured
16 home, upon default, may remove the manufactured home from such real
17 property. The holder of the security interest in the manufactured
18 home shall reimburse the owner of the real property who is not the
19 debtor and who has not otherwise agreed to access the real property
20 for the cost of repair of any physical injury to the real property,
21 but shall not be liable for any diminution in value to the real
22 property caused by the removal of the manufactured home, trespass,
23 or any other damages caused by the removal. The debtor shall notify
24 the holder of the security interest in the manufactured home of the

1 street address, if any, and the legal description of the real
2 property upon which the manufactured home is affixed or otherwise
3 permanently attached and shall sign such other documents, including
4 any appropriate mortgage, as may reasonably be requested by the
5 holder of such security interest.

6 F. In the case of motor vehicles or trailers, notwithstanding
7 any other provision of law, a transaction does not create a sale or
8 security interest merely because it provides that the rental price
9 is permitted or required to be adjusted under the agreement either
10 upward or downward by reference to the amount realized upon sale or
11 other disposition of the motor vehicle or trailer.

12 G. A security interest in vehicles registered by a federally
13 recognized Indian tribe shall be deemed valid under Oklahoma law if
14 validly perfected under the applicable tribal law and the lien is
15 noted on the face of the tribal certificate of title.

16 SECTION 2. This act shall become effective November 1, 2026.

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